



PRESS RELEASE

## Siva Group's S Tel adds one more strategic investor

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### BMIC to increase stake in S Tel; signs strategic agreement with Global Banking Corporation B.S.C [C] [GBCORP]

New Delhi, January 21<sup>st</sup> 2010: S Tel, the Telecom Company of the Chennai based Conglomerate Siva Group, announced today, BMIC Ltd (BMIC) intends to increase its stake in S Tel to 49%. BMIC, formed by Batelco has signed a strategic partnership with Global Banking Corporation B.S.C [C] (GBCORP) for this further investment in S-Tel.

Mr. Vaidyanathan Srinivasan, CEO & Director of Siva Group said, "The increase in stake by BMIC reiterates their confidence in the strong growth potential that S Tel has in the telecom domain in India. The strategic partnership with the Batelco Group and a strong investment bank like GBCORP, will enable S Tel to make significant strides into the telecom market in India."

"S Tel has Unified Access Services Licenses to operate in six Indian circles — Orissa, Bihar, Himachal Pradesh (HP), North-East, Assam and J&K and commenced operations in December 2009 in Orissa, Bihar and HP. In less than 4 weeks of its operations, STel has already acquired over 400,000 customers from its launch in 3 Circles."he added.

This finalisation of GBCORP's investment is subject to preconditions including approval of Foreign Investment Promotion Board (FIPB) of Government of India and completion is expected by end of Q1 2010.



“We are delighted and welcome GBCORP as our investment partner in BMIC Limited, a company which will, post GBCORP’s investment, hold a 49% stake of S Tel India” stated Peter Kaliaropoulos, Batelco’s Group Chief Executive.

“Effective partnerships with other telecom operators and strategic investors, has been a successful formula we have followed as we have expanded into new markets. We value GBCORP’s tremendous investment banking expertise and vision to team up with the Batelco Group and participate in diversifying its investment base and creating value from growth opportunities in India - one of the fastest growing telecom markets in the world” he added.

S Tel aims to service the rapidly growing mobile markets of North East and North West India. The population in these areas is approximately 226 million and mobile penetration rate less than 30%. S Tel is focused on delivering innovation and value in a market where the rural populace is very high and understanding the requirements of the rural customers is of paramount importance.

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ABOUT:

Siva Group is a diversified US\$ 3 billion conglomerate with global operations in high growth industries like Realty, Telecom, Telecom infrastructure, Project Engineering, Shipping, Trade, Renewable Energy, Agricultural exports and e-education /software, High end Fashion business.

The Siva Group revolutionized the mobile communication industry, by being among the firsts to launch cellular services in India and also introducing broadband services in India. Started in 1986, the Group has the honor of pioneering many a concept and introducing paradigm shifts in many a successful industries and is further continuing its visionary foray into high potential areas of businesses.

Batelco Group, listed on the Bahrain Stock Exchange, is the leading integrated communications’ provider in the Kingdom of Bahrain and a company of reference among the region’s key telecommunications players for innovation and customer experience.

Batelco serves both the corporate and consumer markets in the most liberalized and competitive environment in the Middle East Africa region. It delivers cutting-edge fixed and wireless telecommunications services to its customers in Bahrain, Kuwait, Saudi Arabia, Jordan, Yemen, Egypt and India.



The Batelco Group of companies offers end-to-end telecommunications solutions for its residential, business and government customers in Bahrain on Next Generation, all IP fixed and 3.5G wireless networks, MPLS based regional data solutions and, GSM mobile and WiMax broadband services across the countries in which it operates.

Global Banking Corporation B.S.C. (c) [GBCORP] is an Islamic investment bank incorporated in the Kingdom of Bahrain in June 2007. GBCORP pursues a dynamic business model, primarily focusing on the core business areas of private equity, real estate and infrastructure development, energy, asset management, advisory services in corporate finance and capital markets and portfolio management services, backed by a management team with a cumulative experience and expertise of more than 30 years in international banking.

GBCORP's shareholders and members of the board are prominent personalities, representing the leading business institutions from within the region and bring a wealth of liquidity and sectoral expertise to the organization.

S Tel Private Limited (S Tel) S Tel Private Limited (S Tel), a new telecom operator in the Indian marketplace, is a joint venture between Siva Group (formerly Sterling Infotech Group) and Bahrain Telecommunications Company (Batelco).

Headquartered in NCR region of Delhi, S Tel has acquired Unified Access Services Licenses (UASL) and spectrum to operate in six Category C circles – Odisha, Bihar, Himachal Pradesh, North East, Assam and Jammu & Kashmir. These licenses will enable the company to provide Unified Mobile service, wireless broadband and innovative Value Added Service (VAS) covering a population of over 226 million across these circles.

Siva Group is a USD 3 billion group (about Rs.14, 000 crores), with diversified business interests in verticals such as wind energy, shipping & logistics, hospitality & realty, media, EPC, education and agro business. Bahrain headquartered Batelco is a diversified, integrated telecommunications operator with Mobile, fixed and wireless broadband, Datacom and fixed line services. It has operations in 7 markets across the Middle East, North Africa and Asia.

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